



The President's Daily Brief

March 10, 1975

5

Top Secret 25X1

Exempt from general
declassification schedule of E.O. 11652
exemption category 5B(1)(2)(3)
declassified only on approval of
the Director of Central Intelligence

FOR THE PRESIDENT ONLY

March 10, 1975

Table of Contents

Cambodia: A major shake-up in the military command structure is in the offing. (Page 1)

South Vietnam: The communists opened new battle-fronts in the central highlands and northern Military Region 1 over the weekend. (Page 3)

Portugal: Prospects for a peaceful election next month have been further dimmed. (Page 4)

Notes: International Energy Agency; Iran-Iraq (Page 5)

FOR THE PRESIDENT ONLY

FOR THE PRESIDENT ONLY

CAMBODIA

A major shake-up in the Cambodian military command structure is in the offing, and an unstable political situation could result.

Within a few days, President Lon Nol will downgrade the position of the armed forces commander in chief, in effect demoting senior Cambodian army General Sosthene Fernandez. A civilian-led defense ministry will apparently be given increased powers over the armed forces.

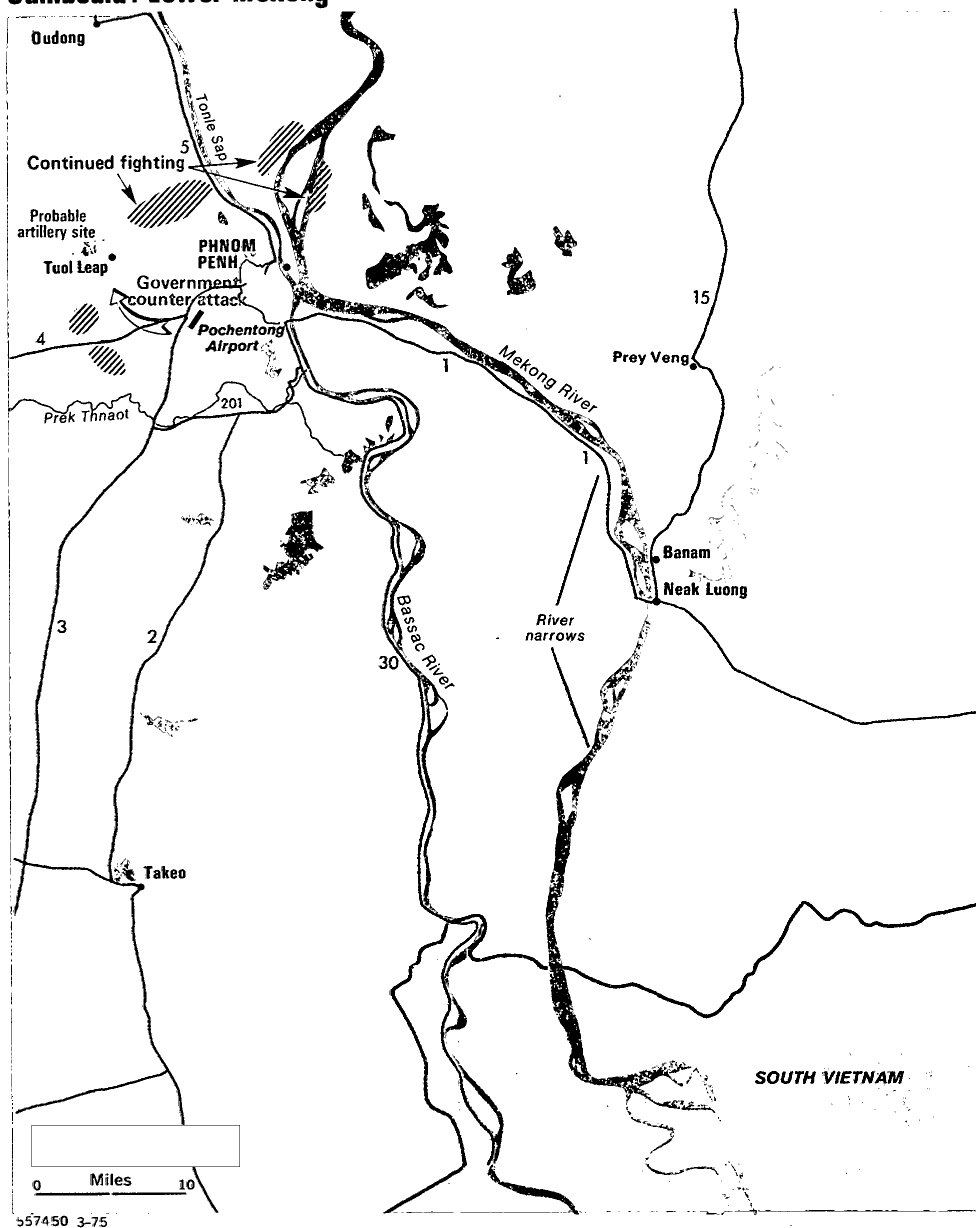
In implementing these changes, Lon Nol is clearly responding to pressure from Prime Minister Long Boret, who on Friday announced his intention to resign if Fernandez were not replaced and civilian control over the military not increased. Boret has the backing of the Senate and the National Assembly, which last week passed resolutions demanding increased powers for the civilian government.

Ambassador Dean has met with both Boret and Lon Nol in an attempt to convince them that even minor governmental changes in Phnom Penh could destroy the facade of unity in the top leadership and adversely affect the US Congressional vote on supplemental aid for Cambodia. Boret on Saturday appeared persuaded that the changes should be postponed until after the aid vote. Yesterday, however, Lon Nol said he would proceed with the shake-up, repeating Boret's earlier argument that a change in military leadership is necessary to boost the sagging morale of the armed forces.

Lon Nol said that Boret would not go through the formal process of dissolving the present government to reshuffle his cabinet. Instead, cabinet changes would be in the nature of behind-the-scenes "adjustments," the most important of which will probably be the appointment of roving ambassador Sak Sutsakhan as defense minister with widely expanded powers.

Although Fernandez may try to fight his demotion, he has come to symbolize the inadequacies of the government's military performance. There is a groundswell in favor of his departure in both civilian and military circles.

Cambodia: Lower Mekong



25X1

FOR THE PRESIDENT ONLY

Fernandez may resign rather than accept a less powerful post. If he does, a period of intense infighting may follow as other senior officers jockey for dominance in the new command structure. Navy commander Admiral Vong Sarendy, for example, wants the top military position and has the support of Lon Non, Lon Nol's controversial younger brother. Lon Non, moreover, is trying to undercut Long Boret because of his own ambition to be prime minister.

The planned command shake-up runs broader risks. As the battlefield situation has deteriorated, an increasing number of influential Cambodians has decided that some way must be found to break the impasse on a settlement before the government's military position crumbles completely. These Cambodians might seize on any confusion resulting from the planned changes to try to force even more dramatic changes--such as the departure of the current top leadership--in the hope of bringing an early end to the fighting.

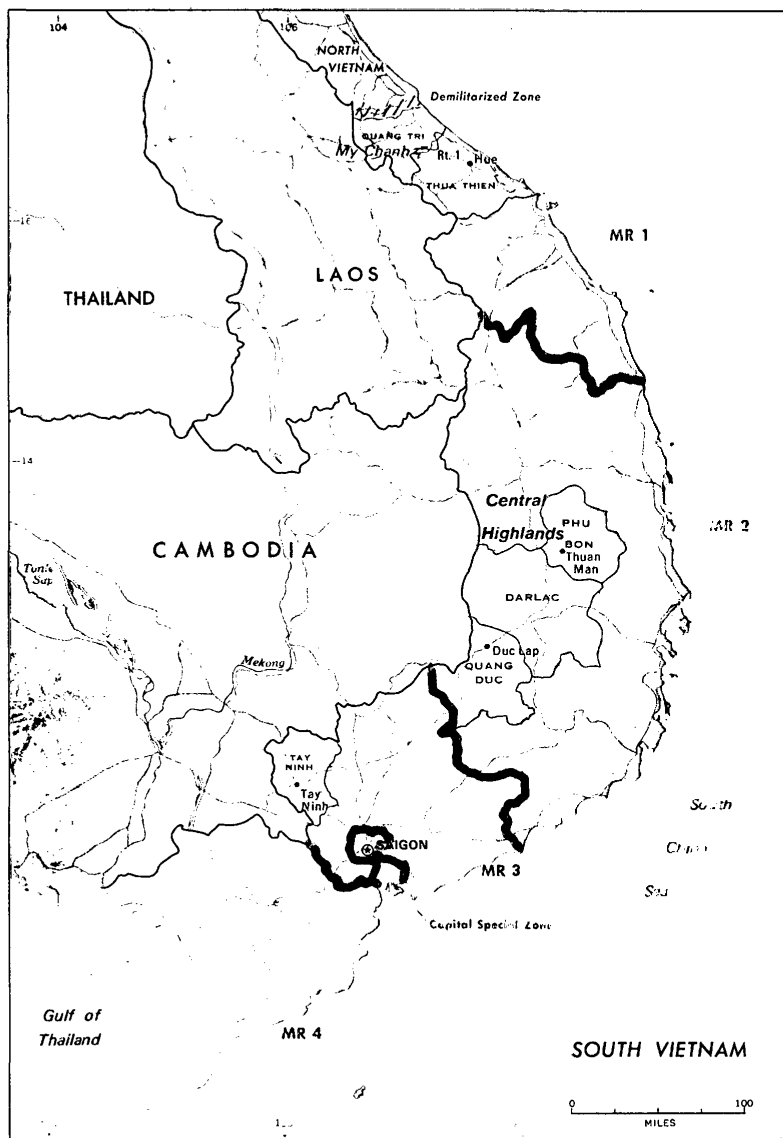
Tactical Situation

The airlift to Phnom Penh of ammunition, rice, and fuel continued at scheduled levels over the weekend despite sporadic communist rocket and artillery attacks against Pochentong airport.

The government operation to retake the town of Tuol Leap and to eliminate insurgent rocket and artillery positions in the airport area remains stalled. Having met stiff resistance to his head-on attacks during the first four days of the operation, the local government commander has attempted a flanking maneuver, but this too is meeting heavy opposition. The communists, however, are having to use their artillery to hold off these government ground attacks, and this may be limiting their shelling of Pochentong.

In the capital area, government forces have fought off a brief insurgent penetration of the defense line near Route 5 north of the city, but fighting in the area continues. Hard though inconclusive fighting continues around the government navy base at Neak Luong and at the nearby river town of Banam.

FOR THE PRESIDENT ONLY



557449 3-75

FOR THE PRESIDENT ONLY

SOUTH VIETNAM

The communists opened new battle-fronts in the central highlands and in northern Military Region 1 over the weekend, and early this morning North Vietnamese troops fought their way into Ban Me Thuot, capital of Darlac Province. The government fears that the main thrust of the renewed communist campaign will be directed at poorly defended positions in the southern tier of highland provinces.

North Vietnamese forces on Saturday attacked and overran the remote district town of Thuan Man in Phu Bon Province, and they are exerting pressure on a second district town--Duc Lap in Quang Duc Province.

South Vietnamese commanders have speculated that, following the interdiction of the government's main overland supply lines, the communists would turn southward to improve their access from the highlands to Military Region 3 and the provinces around Saigon. The recent upsurge in activity in the border area of Quang Duc suggests that such a strategy may be unfolding.

In the northern provinces, communist forces have increased attacks against government positions in Quang Tri and Thua Thien provinces. The communists have overrun at least 15 hamlets and have interdicted Route 1 north of Hue at the My Chanh River. Field reports indicate that in most instances, the government's local militia broke and ran, permitting the Viet Cong local forces easy access to the lowland areas.

Farther south, North Vietnamese main forces are responsible for renewed attacks against the government's marine, airborne, and 1st Infantry divisions. Details of the fighting are sketchy, but the South Vietnamese reportedly have been forced out of one position on high ground southeast of Hue.

Fighting elsewhere in the country was light, although some increase in communist harassing attacks was reported in Tay Ninh Province. Government commanders continue to predict that the communists will resume combat in the southern half of the country within the week.

FOR THE PRESIDENT ONLY

PORTUGAL

Prospects for a peaceful election next month were dimmed last Friday when extreme leftists attempted to stop a meeting of the center-left Popular Democratic Party in a working-class stronghold.

Shooting broke out when police in Setubal, 15 miles south of Lisbon, tried to clear the demonstrators. The US embassy reports that three persons were killed, the first deaths since active party campaigning began several weeks ago. Troops had to be brought in from Lisbon to free police who were trapped in their headquarters by the protesting leftists. The military has now assumed control of public security in Setubal.

Previous left-wing violence had been aimed at the parties to the right of center--the Social Democratic Center and the Christian Democratic Party. It is only recently that the largely middle-class Popular Democratic Party, a member of the three-party coalition, has been attacked.

The unwillingness or inability of the provisional government to control the extreme left and to prevent violence is frightening moderate parties, and has already hampered Social Democratic Center campaigning.

The Popular Democrats fear that the incident will be used by leftist military officers to postpone or cancel the April 12 election on the grounds that public order cannot be maintained.

FOR THE PRESIDENT ONLY

NOTES

The members of the International Energy Agency agreed last week to consider a plan that would provide multilateral encouragement to oil-importing states to develop alternate energy sources to imported oil.

This small step moved these oil-importing states closer to the common stand the US has insisted is a prerequisite to a meeting with the oil-producing states. The plan must now be reviewed by by agency's 18 member states--and indirectly by France, which is not a member--before the agency's governing board returns to Paris next week. At that time, the board will probably adopt the plan and give formal blessing to the preparatory meeting of oil producers and importers that President Giscard has called for April 7.

* * *

The agreement last Thursday between the leaders of Iran and Iraq is endangered by a surprise attack launched on Saturday by Iraqi forces against the Kurdish rebels.

The attack came after most of the Iranian troops supporting the Kurds had been withdrawn to Iran in accordance with the agreement. The Shah regards the Iraqi offensive as a violation of the agreement, but he apparently is not yet aware that Iraqi strongman Saddam Husayn personally ordered the attack.

Top Secret